STATEMENT OF BASIS (AI No. 858)

For draft Louisiana Pollutant Discharge Elimination System permit No. LA0005568 to discharge to waters of the State of Louisiana.

THE APPLICANT IS: ExxonMobil Refining and Supply Company
Anchorage Tank Farm
Post Office Box 551
Baton Rouge, Louisiana 70821-0551

ISSUING OFFICE: Louisiana Department of Environmental Quality (LDEQ)
Office of Environmental Services
Post Office Box 4313
Baton Rouge, Louisiana 70821-4313

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DATE PREPARED: October 8, 2009

1. PERMIT STATUS

A. Reason For Permit Action: Renewal issuance of an Louisiana Pollutant Discharge Elimination System (LPDES) permit LA0005568 for a five year term following regulations promulgated at LAC 33:IX.2711/40 CFR 122.46*.

* In order to ease the transition from NPDES to LPDES permits, dual regulatory references are provided where applicable. The LAC references are the legal references while the 40 CFR references are presented for informational purposes only. In most cases, LAC language is based on and is identical to the 40 CFR language. 40 CFR Parts 401, 405-415, and 417-471 have been adopted by reference at LAC 33:IX.4903 and will not have dual references. In addition, state standards (LAC 33:IX.Chapter 11) will not have dual references.

LAC 33:IX Citations: Unless otherwise stated, citations to LAC 33:IX refer to promulgated regulations listed at Louisiana Administrative Code, Title 33, Part IX.

40 CFR Citations: Unless otherwise stated, citations to 40 CFR refer to promulgated regulations listed at Title 40, Code of Federal Regulations in accordance with the dates specified at LAC 33:IX.4901, 4903, and 2301.F.

B. NPDES permit - NPDES permit effective date: N/A
NPDES permit expiration date: N/A

* EPA has not retained enforcement authority*

C. LPDES permit - LPDES permit effective date: August 1, 2003
LPDES permit expiration date: July 31, 2008

The LPDES permit expired on July 31, 2008. The application was received on September 4, 2007; therefore, the permit was administratively continued.

II. FACILITY INFORMATION

A. FACILITY TYPE/ACTIVITY – Bulk Liquid Petroleum Storage Facility

According to the application, the Anchorage Tank Farm stores crude oil for the ExxonMobil Baton Rouge Refinery. Crude oil is brought into and out of the facility via tank truck, pipeline, or ship.

The discharges from this site include stormwater runoff, firewater reservoir overflow, fire system test water, boiler blowdown, steam condensate, and hydrostatic test wastewater.

B. FEE RATE
1. Fee Rating Facility Type: minor
2. Complexity Type: II
3. Wastewater Type: III
4. SIC code: 5171

C. LOCATION – 1420 Lafiton Lane in Port Allen, West Baton Rouge Parish Latitude 30°28' 28", Longitude 91°12' 49"

III. RECEIVING WATERS

STREAM – via an overflow weir, thence to an unnamed drainage ditch, and thence to the Gulf Intracoastal Waterway

BASIN AND SEGMENT – Terrebonne Basin, Segment 120103

DESIGNATED USES - a. primary contact recreation
b. secondary contact recreation
c. propagation of fish and wildlife

IV. OUTFALL INFORMATION

Outfall 001

A. Discharge Type:	intermittent discharge of stormwater runoff, firewater reservoir overflow, fire system test water, boiler blowdown, steam condensate, and previously monitored effluent from Internal Outfall 101 (hydrostatic test wastewater)
B. Treatment:	gravity separation and pH neutralization (as needed)
C. Location:	at the point of discharge, located adjacent to Lafiton Lane, from the gravity separator prior to combining with other waters. (Latitude 30°28' 30", Longitude 91° 13' 21")
D. Flow:	0.56 MGD
E. Receiving Waters:	via an overflow weir, thence to an unnamed drainage ditch, and thence to the Gulf Intracoastal Waterway
F. Basin and Segment:	Terrebonne Basin, Segment No. 120103

Internal Outfall 101

A. Discharge Type: intermittent discharge of hydrostatic test wastewater

B. Treatment: gravity separation and pH neutralization (as needed)

C. Location: various locations on-site prior to combining with Outfall 001

D. Flow: intermittent

E. Receiving Waters: Gulf Intracoastal Waterway via Final Outfall 001

F. Basin and Segment: Terrebonne Basin, Segment No. 120103

V. PROPOSED CHANGES FROM PREVIOUS PERMIT

ExxonMobil Refining and Supply Company has requested a change in the pH from 6.0-9.0 standard units (s.u) to 6.0-10.0 s.u because of natural phenomena in the drainage ditch which causes higher than normal pH as a result of high temperatures, low flows, and algae blooms. The compliance history in Section VIII of the Statement of Basis indicates that ExxonMobil had two exceedances of pH within a one year period and reported values of 9.1s.u and 10.1s.u, respectively. This Office has determined the information provided requesting a change in pH from 6.0-9.0 s.u to 6.0-10.0 s.u is insufficient. Therefore, the request will not be granted.

VI. PERMIT LIMIT RATIONALE

The following sections set forth the principal facts and the significant factual, legal, methodological, and policy questions considered in preparing the draft permit.

Outfall 001 - Intermittent discharge of stormwater runoff firewater reservoir overflow, boiler blowdown wastewater, fire system test water, previously monitored effluent from Internal Outfall 101, (hydrostatic test wastewater), and steam condensate.

Parameter	Monthly Average	Daily Maximum	Frequency	Sample Type
Flow, GPD	Report	Report	1/month	Estimate
TOC	---	50 mg/L	1/month	Grab
Oil & Grease	---	15 mg/L	1/month	Grab
pH	6.0 min.	9.0 max.	1/month	Grab

Site-Specific Consideration(s)

Flow: established in accordance with LAC 33:IX.2707.I.1.b. These requirements have been retained from the administratively continued LPDES permit, effective August 1, 2003.

TOC: effluent limitations are consistent with current LDEQ stormwater guidance, current permitted facilities with similar operations and Best Professional Judgment (BPJ) at a frequency of 1/month. These requirements have been retained from the administratively continued LPDES permit, effective August 1, 2003.

Oil & Grease: effluent limitations are consistent with current LDEQ stormwater guidance, current permitted facilities with similar operations and Best Professional Judgment (BPJ) at a frequency of 1/month. These requirements have been retained from the administratively continued LPDES permit, effective August 1, 2003.

pH: effluent limitations are established in accordance with LAC33:IX.1113.C.1 and shall be monitored at a frequency of 1/month. These requirements have been retained from the administratively continued LPDES permit, effective August 1, 2003.

Internal Outfall 101 - Intermittent discharge of hydrostatic test wastewater

Parameter	Monthly Average	Daily Maximum	Frequency	Sample Type
Flow, GPD	Report	Report	1/event	Estimate
Oil and Grease	---	15 mg/L	1/ prior to discharge	Grab
TSS	---	90 mg/L	1/ prior to discharge	Grab
Bezene	---	50 ug/L	1/ prior to discharge	Grab
BTEX	---	250 ug/L	1/ prior to discharge	Grab
TOC	---	50 mg/L	1/ prior to discharge	Grab
Lead	---	50 ug/L	1/ prior to discharge	Grab

Site-Specific Consideration(s)

Flow: established in accordance with LAC 33:IX.2707.I.1.b. These requirements have been retained from the administratively continued LPDES permit, effective August 1, 2003.

Oil and Grease: effluent limitations are consistent with LPDES Hydrostatic Test and Vessel Testing Wastewater General Permit, LAG670000 and permitted facilities with similar operations at a frequency of once prior to discharge. These requirements have been retained from the administratively continued LPDES permit, effective August 1, 2003.

TSS: effluent limitations are consistent with LPDES Hydrostatic Test and Vessel Testing Wastewater General Permit, LAG670000 and permitted facilities with similar operations at a frequency of once prior to discharge. These requirements have been retained from the administratively continued LPDES permit, effective August 1, 2003.

Benzene: effluent limitations are consistent with LPDES Hydrostatic Test and Vessel Testing Wastewater General Permit, LAG670000 and permitted facilities with similar operations at a frequency of once prior to discharge. These requirements have been retained from the administratively continued LPDES permit, effective August 1, 2003.

BTEX: effluent limitations are consistent with LPDES Hydrostatic Test and Vessel Testing Wastewater General Permit, LAG670000 and permitted facilities with similar operations at a frequency of once prior to discharge. These requirements have been retained from the administratively continued LPDES permit, effective August 1, 2003.

TOC: effluent limitations are consistent with LPDES Hydrostatic Test and Vessel Testing Wastewater General Permit, LAG670000 and permitted facilities with similar operations at a frequency of once prior to discharge. These requirements have been retained from the administratively continued LPDES permit, effective August 1, 2003.

Lead: effluent limitations are consistent with LPDES Hydrostatic Test and Vessel Testing Wastewater General Permit, LAG670000 and permitted facilities with similar operations at a frequency of once prior to discharge. These requirements have been retained from the administratively continued LPDES permit, effective August 1, 2003.

VII. TMDL Waterbodies

Outfall 001 and Internal Outfall 101

The discharges include intermittent discharges of stormwater runoff, boiler blowdown wastewater, firewater reservoir overflow, fire system test water, steam condensate, and previously monitored effluent from Internal Outfall 101 (hydrostatic test wastewater) via an overflow weir, thence to an unnamed drainage ditch, and thence to the Gulf Intracoastal Waterway.

Subsegment 120103, Gulf Intracoastal Waterway, is not listed on LDEQ's Final 2004 303(d) list as impaired. However, subsegment 120103 was previously listed as impaired for organic enrichment/low DO for which the below TMDL's have been developed.

The *Upper Terrebonne Basin for Dissolved Oxygen and Nutrients*, finalized on April 2, 2008, addressed dissolved oxygen and nutrients. This TMDL does not identify the suspected cause of the organic enrichment/low oxygen impairment in the subsegments of the Upper Terrebonne Basin. The predominant land use in the impaired subsegments is wetland areas. Subsegment 120103 has larger areas of developed land. Additionally, there were two facilities that required waste load allocations (WLAs); however, reductions from this facility were not required as a result of this TMDL. Therefore, no additional requirements were established for this facility.

The Department of Environmental Quality reserves the right to impose more stringent discharge limitations and/or additional restrictions in the future to maintain the water quality integrity and the designated uses of the receiving water bodies based upon additional TMDL's and/or water quality studies. The DEQ also reserves the right to modify or revoke and reissue this permit based upon any changes to be established. TMDL's for this discharge, or to accommodate for pollutant trading provisions in approved TMDL watersheds as necessary to achieve compliance with water quality standards.

VIII. COMPLIANCE HISTORY/COMMENTS

Facility Information Bulk Liquid Petroleum Storage Facility

The anchorage tank farm stores crude oil for the ExxonMobil Baton Rouge Refinery. Crude oil is brought into and out of the facility via tank truck, pipeline, or ship.

Compliance History A review of the Discharge Monitoring Reports (DMRs) from 2007 to June 2009 revealed the following excursions:

Date	Parameter	Units	Permit Limit	Reported Value
06/08	pH	s.u	6.0-9.0	9.1
06/07	pH	s.u	6.0-9.0	10.1

Spill/Release:

July 14, 2009 A potential release of crude oil at approximately 160 barrels. Perimeter monitoring revealed no physical evidence of a leak. Therefore, the tank bottom was filled with water to mitigate oil from being released from potential leak. The tank was eventually taken out of service.

September 19, 2008 A release of four gallons of oil occurred north of the separator in the West Parish Canal at the Anchorage Tank Farm. Booms and absorbent pads were deployed and vacuum trucks were used to skim oil from the water surface. The source of the sheen was not identified and no off-site impact was observed.

September 18, 2008 A small sheen less than 1/8 of a gallon was released in the East Parish Canal at the Anchorage Tank Farm. The sheen was recovered south of Lafiton Lane. Booms were deployed and the sluice gate was closed to isolate sheen.

February 27, 2008 A crude oil release of one barrel of oil was observed from a leaking pipe. The leak occurred while the pump was running. A vacuum truck picked up the pooled oil and the contaminated soil was removed and disposed of properly. There was no off-site impact.

Inspection: The last Compliance Evaluation Inspection was conducted on June 24, 2004. A request for inspection was sent via e-mail to the Capital Regional Office on November 20, 2009.

September 15, 2008 A Hurricane Related Assessment was conducted by phone. The facility's cooling tower and tank were damaged as a result of Hurricane Gustav. The facility completed repairs and no further action was required.

IX. "IT" QUESTIONS - APPLICANT'S RESPONSES

This is a minor facility. IT questions were not required. However, Section VII, Environmental Impact Questionnaire of the LPDES SCC-2 permit application was completed and detailed the following responses.

1. Have the potential and real adverse environmental effects of the proposed facility been avoided to the maximum extent possible?

   Response: Yes. The Anchorage Tank Farm is an existing facility which began operations in 1918. The potential and real adverse environmental effects of the facility have been avoided to the maximum extent possible. The facility is not anticipated to have any significant environmental impacts. The facility is designed so that operations will minimize any environmental impacts to the extent practicable. All activities at the facility are performed in accordance with local, state, and federal regulations.

2. Does a cost benefit analysis of the environmental-impact costs balanced against the social and economic benefits of the proposed facility demonstrate that the latter outweighs the former?

   Response: Yes. The social and economic benefits of the facility greatly outweigh its environmental impact which will be minimal. The facility will be subject to strict environmental regulations to control air emissions and wastewater discharges. The facility has been designed to minimize air emissions and wastewater discharges in a cost-effective manner. The operation of the facility will provide significant economic benefit to the State of Louisiana.

3. Are there alternative projects which would offer more protection to the environment than the proposed facility without unduly curtailing non-environmental benefits?

   Response: No. There are no alternative projects which would offer more protection to the environment than the facility without unduly curtailing non-environmental benefits.

4. Are there alternative sites which would offer more protection to the environment than the proposed facility without unduly curtailing non-environmental benefits?

   Response: No. There are no alternative sites which would offer more protection to the environment than the proposed site without unduly curtailing non-environmental benefits.

5. Are there mitigating measures which would offer more protection to the environment than the facility as proposed without unduly curtailing non-environmental benefits?

   Response: No. There are no mitigating measures which would offer more protection to the environment than the facility. The facility is designed to minimize air emissions and wastewater discharges in a cost-effective manner.

X. ENDANGERED SPECIES

The receiving waterbody, Subsegment 120103 of the Terrebonne Basin is not listed in Section II.2 of the Implementation Strategy as requiring consultation with the U.S. Fish and Wildlife Service (FWS). This strategy was submitted with a letter dated November 17, 2008 from Rieck (FWS) to Nolan (LDEQ). Therefore, in accordance with the Memorandum of Understanding between the LDEQ and the FWS, no further informal (Section 7, Endangered Species Act) consultation is required. It was determined that the issuance of the LPDES permit is not likely to have an adverse effect on any endangered or candidate species or the critical habitat. The effluent limitations established in the permit ensure protection of aquatic life and maintenance of the receiving water as aquatic habitat.

XI. HISTORIC SITES

The discharge is from an existing facility. Currently, there should be no potential effect to sites or properties on or eligible for listing on the National Register of Historic Places, and in accordance with the "Memorandum of Understanding for the Protection of Historic Properties in Louisiana Regarding LPDES Permits" no consultation with the Louisiana State Historic Preservation Officer is required.

XII. TENTATIVE DETERMINATION

On the basis of preliminary staff review, the Department of Environmental Quality has made a tentative determination to permit the discharges described in the application.

XIII. PUBLIC NOTICES

Upon publication of the public notice, a public comment period shall begin on the date of publication and last for at least 30 days thereafter. During this period, any interested persons may submit written comments on the draft permit and may request a public hearing to clarify issues involved in the permit decision at this Office's address on the first page of the statement of basis. A request for a public hearing shall be in writing and shall state the nature of the issues proposed to be raised in the hearing.

Public notice published in:

Local newspaper of general circulation

Office of Environmental Services Public Notice Mailing List

XIV. STORMWATER POLLUTION PREVENTION PLAN (SWP3) REQUIREMENT

The SWP3 shall be prepared, implemented, and maintained within six (6) months of the effective date of the final permit. The plan should identify potential sources of stormwater pollution and ensure the implementation of practices to prevent and reduce pollutants in stormwater discharges associated with industrial activity at the facility.